

like minds



**The story of our lives**  
**Engaging people with their**  
**retirement saving**



Once upon a time saving for your retirement didn't take much effort. You joined your occupational pension scheme and then, by and large, ignored it for 30 or 40 years until you retired and got paid your pension every month until you died – end of story.

A few choices here and there but nothing too challenging. Times have changed. Flexibility in how you can take DC savings has changed the pensions landscape not only for members of DC arrangements but for DB too.

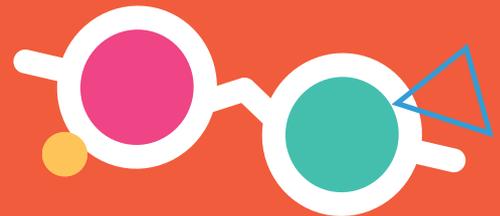
For DC members that means greater choice; for DB members it may mean having to make choices that they never thought they had. Not just active members either, as DB schemes look to reduce their exposure to risk through a range of measures that require a long term, sustained engagement programme with members.

From an employer perspective too, pension (after payroll) is probably your biggest employee cost but may not be the most valued by employees, particularly those who have been auto-enrolled.

The plot has definitely thickened. A new approach is needed that makes the connection between retirement saving and the lives of the millions of people that are members of occupational schemes. That's what like minds does – we tell stories and paint pictures to help people understand the relevance and value of saving for the future to their lives now.

### **How do we do that?**

Read on...



# Happy ever after?

Probably not, with over 50% of people in work at risk of not meeting their target income in retirement<sup>1</sup>, it's looking increasingly unlikely that many will retire with enough money saved.

That's not just a problem for the 13 million people that might not be able to afford to retire. It's also a problem for Trustees and sponsoring employers.

By helping people understand the implications of their actions (or often inaction):

- ✓ **For DC plans**, Trustees can feel more confident that they are acting in the best interests of members and sponsoring employers can refresh their workforce more easily by helping employees retire without having to work beyond their normal retirement age
- ✓ **For DB plans** both Trustees and employers can reduce risk through a series of interventions but only if members understand what's being done and what that means for them
- ✓ **For both DC and DB plans**, members can make decisions based on their personal circumstances and the kind of life they want to lead.

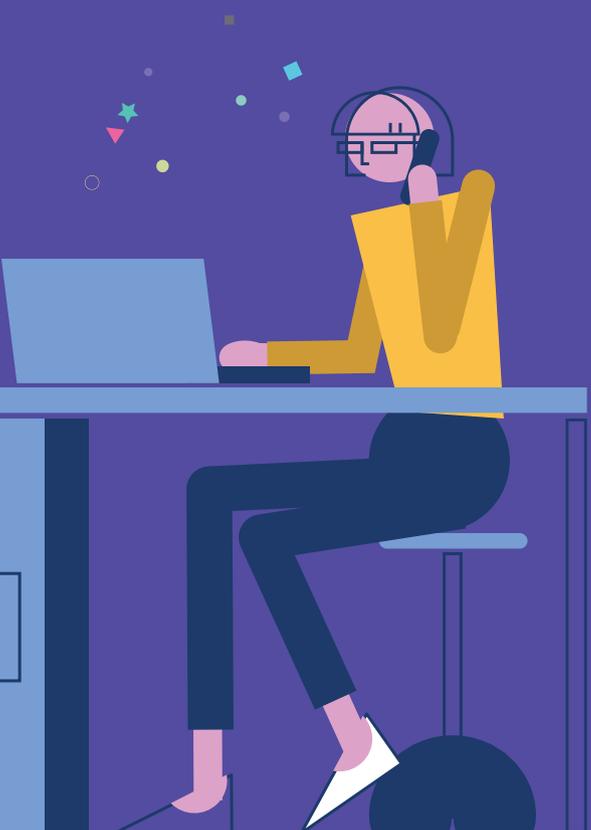


# Far, far away

As communicators we're faced with the challenge that the deferred 'reward' of a pension scheme makes it harder to get people to appreciate its value.

We know that human beings are bad at predicting the future. In the work done by Dan Gilbert, Professor of Psychology at Harvard, into "The Psychology of Your Future Self", respondents, regardless of age, believed that while their life had changed significantly over the last 10 years, they didn't expect to see much change over the next 10.

**As Professor Gilbert says,**



**“Human beings are works in progress that mistakenly think they’re the finished product.”**

# That's why we...



## Focus on the “why” not the what

The traditional approach to communicating about pensions has been to focus on how the scheme works – contribution rates, fund choices, etc.

But why are we saving in the first place? What will saving do for us? Where will it allow us to live? What holidays will we be able to go on? How often can we go for a night out? What kind of food can we eat? What would we do if we fell ill?



## Stories to make you laugh and cry

As humans, we respond to stories that make us feel something – sad, happy, inspired, fearful. We believe that the power of storytelling hasn't been used enough to engage people with their retirement saving. Our “rational” decisions very often mask a purely instinctive “emotional” response that we then post-rationalise.



## Past, present and future

The part of our brain associated with our imagination is also the part of our brain linked to memory. We don't think that's a coincidence. We think the retirement conversation shouldn't be about what life will be like in 10, 20 or 30 years; but about members' life experiences and what they tell them about what the future might hold.

# What's the story?

At like minds we have a distinctive approach to engaging people with their retirement savings by applying the following core principles:



## To engage you have to be engaging:

Ask anyone what they find engaging in another person and they're likely to say something along the lines of humour, intelligence, enthusiasm and empathy. You can't expect to engage people if your communication has none of these qualities.



## Focus on outcomes not on inputs:

In recent PLSA research 74% of people believed that retirement income targets would encourage them to save more. We've seen this in action and watched people saving more as a result.



## Inspiration not just information:

We need to inspire people to take action by telling an engaging and compelling story – rather than just providing members with facts and figures. The positive pensions story is one of the creation of better lives for millions and the use of the pooled savings of the many to create much of the infrastructure we see around us.



## Context not content:

Saving for retirement doesn't happen in a vacuum. If someone can't afford a higher contribution, lecturing them about it will only make them feel worse. That's why the "why" of saving is more important than the "what" or the "how".

# Chapter and verse

Whatever your challenges – whether it's guiding your members through the choices they have at retirement (both DB and DC) or helping them to bridge the gap between their current level of savings and what they'll need in retirement – we'll work with you to get them there.

We can help you with every aspect of engaging pension scheme members, including:

- **Strategy on a page** – developing your one-page engagement statement with objectives, goals, strategies and measures
- **Focus groups** – understanding the real motivations for member behaviour
- **Engagement audit** – a review of your current communication channels, including their readability, effectiveness in engaging members, ability to segment audiences and target specific groups and the strength of your provider's communication offering
- **Concepts and visuals** that make people sit up and take notice
- **The creation** of pension plan brands
- **In-house animated video production**, including personalised videos
- **Design and production** of all media, from digital solutions to print based media, interactive booklets, personalised statements and old-school newsletters



## Case study

# Changing how members think about their pension

Although automatic enrolment meant that the majority of employees across the Morgan Sindall Group were members of the pension, very few were increasing their contribution levels from the minimum and would therefore not be saving enough to provide for their retirement.

Working with the Trustees, we developed an agreed engagement statement articulating what they wanted to achieve. The primary focus was to ensure that members would know:

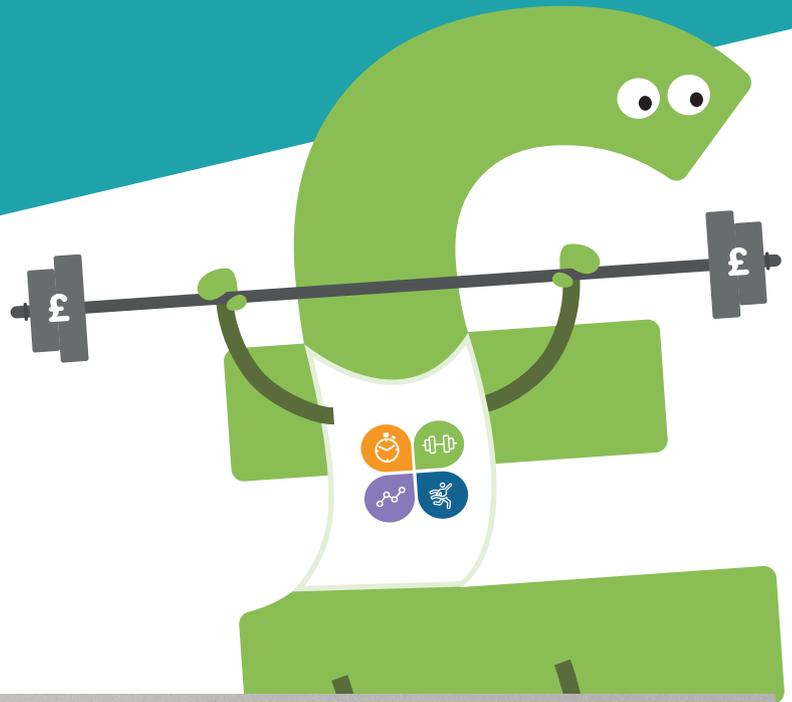
- What kind of outcome they should be aiming for
- What the gap was between their current level of saving and their target
- What they could do about it.

We renamed the plan as the Retirement Savings plan instead of the Retirement Benefits plan and talked about saving for retirement rather than having a pension. This is a subtle shift in how we framed the conversation about retirement saving which helped when talking about the choices that members have from age 55.

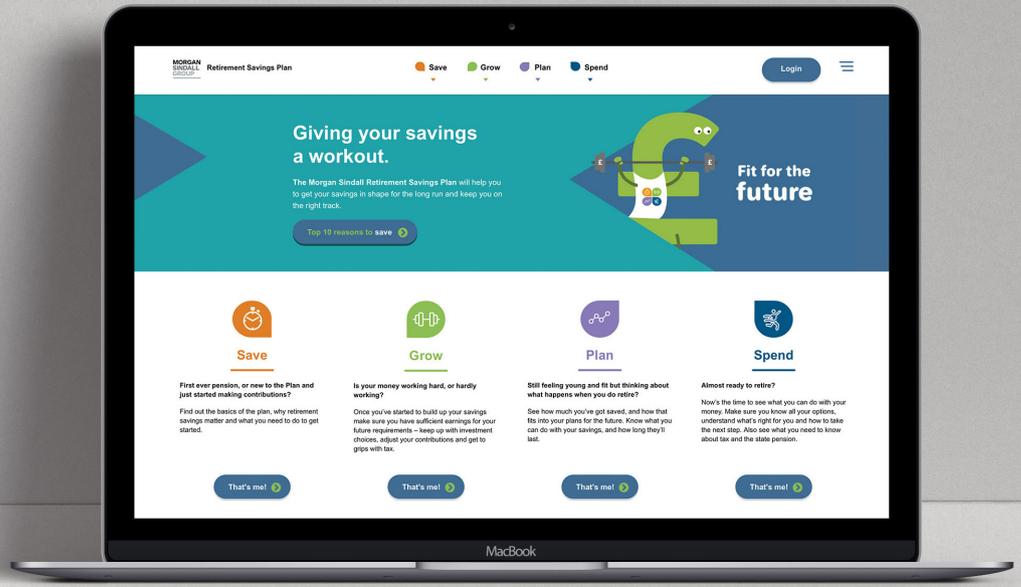
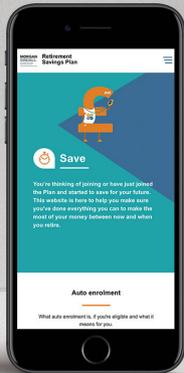
We then completely re-designed the way the plan is described and communicated to members. Using the theme 'Fit for the Future', the visual brand is eye-catching and completely different from anything they've had before. Instead of having lots of different booklets we've incorporated everything into the new website which is organised according to where people are in their savings journey:

- **Save** – for those who need to focus on their contributions at the start of their membership
- **Grow** – where we talk about investments
- **Plan** – starting to think about what you want from retirement
- **Spend** – understanding more about your options at retirement

# MORGAN SINDALL GROUP



## Fit for the future



## Case study (cont.)

The website was launched to members in June this year with 1 in 6 members of the Plan accessing the site and nearly 41,000 page views - showing that those who did go on the site spent a fair amount of time looking through. It also resulted in nearly a 5% increase of members registering to access the secure admin site and 1,000 visits from members reviewing their investment choices.

We'll be following up the launch with the re-designed and re-written annual benefit statement to fit with the new approach.

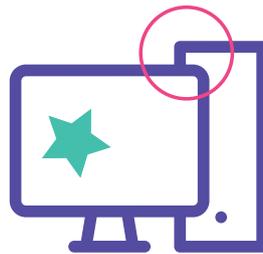
We've made it an easy A5 size and followed the same structure as the website. Written in clear simple language, we're highlighting the gap between members' current savings and where they need to be and making sure they know what they can do to address this if they need to.

Over the next year we're introducing new and targeted communication to members based on the usage of the website and key moments in members' lives.



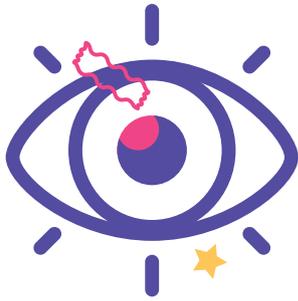
**1** in **6**

members of the Plan **accessing the site**

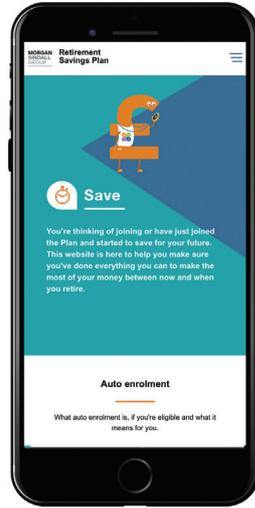


**5%**

**increase** of members registering to access the secure admin site



nearly  
**41,000**  
page views



**1,000**

visits from members  
reviewing their  
investment choices



# We're well versed in communication

We are a team of communication experts who firmly believe that we can make a difference to people's lives through our work.

Establishing employer brands and communicating business strategy, people issues, employee benefits and reward programmes in a clear and engaging way are just some of the things that we do.

Whether it's our writers, strategists, campaign creators, designers, illustrators or knowledgeable experts, we all share the desire to make the complicated simple, the difficult inspiring and the challenging approachable.



## Say hello

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If you'd like to learn more about how we can help please contact:

**Tel: 01926 863000**

**Email: [hello@likeminds.uk.com](mailto:hello@likeminds.uk.com)**